



Energy Ventures third energy fund closed – leading international investors participate

Stavanger, 9 January, 2008:

Energy Ventures has closed its third venture investment fund, with a total committed capital of NOK 1.34 billion (USD 243 million). Energy Ventures III will invest in petroleum-related technology companies. The previous investor base together with new internationally renowned names like Temasek Holdings, LGT Capital Partners, LMS Capital, Partners Capital and Keppel Offshore & Marine form a solid investor base in the fund.

Energy Ventures is a leading international venture capital company focusing on investments in the energy business in general and upstream oil and gas in particular. The company has offices in Stavanger, Houston and Aberdeen.

Its first fund - Energy Ventures I - was established in 2002, and ranks among the best venture funds in terms of return to investors on a world wide basis. Energy Ventures II was established in 2005. This fund was fully invested in Q4 2007 but has not yet made any divestments. On the back of the strong performance for its two first funds, Energy Ventures has now closed Energy Ventures III.

Having successfully raised NOK 1.010 billion (USD 183 million) in September 2007 with Ferd as the strategic partner and largest investor, the fund managers have focused on international investors for the second and final closing of the fund. The list of new investors investing NOK 330 million (USD 60 million) include renowned international investors like the Singapore-based investment company Temasek Holdings, Liechtenstein-based wealth and asset management group LGT Capital Partners, UK-based LMS Capital and Capital Partners and the Singapore offshore services group Keppel FELS, which confirms the strong position Energy Ventures has won in the venture capital market. In the first closing, 10 Norwegian cornerstone investors committed a total of NOK 705 million (USD 128 million) in capital, with the remainder spread between a number of medium-sized investor groups as well as the Energy Ventures management team.

“We are very pleased with the feedback we have received in the international market, and due to the strong interest among institutional investors we decided to increase the size of the fund to NOK 1.34 billion. The new investors in Energy Ventures will all be valuable contributors to the further development of the fund and our portfolio companies,” says Managing Partner Ole Melberg in Energy Ventures.

“It is especially interesting to welcome leading Singapore-based investors. The oil and gas industry is rapidly expanding its activities in Asia and we believe our portfolio companies will benefit from the support of investors with a strong presence in this region.”

As for the previous funds, Energy Ventures III will apply four key criteria when choosing companies in which to invest - groundbreaking technology, sustainable economics, scalability in an international product or services market, and a cooperative management with a proven ability to reach its goals.

Over the past two years, Energy Ventures has realised five investments through its first fund. Four of these companies were sold to larger listed companies; Sense Intellifield was sold to Kongsberg Gruppen, SeaBed Geophysical to the SeaBird Exploration, Sense EDM to TTS, and MTEM to PGS, whereas APL was realized through a standalone listing on the Oslo Stock Exchange in 2005.

The two first funds have made a number of international investments and by strengthening its local presence in Aberdeen and in Houston, the company aims both to gain better access to investment deal-flow and to improve the follow-up of its international portfolio companies.

The law firm CLP has assisted Energy Ventures as its Norwegian legal advisers. Bedell Cristin has acted as the fund's Guernsey based legal advisor in connection with the second closing.

Aztec Financial Services (Guernsey) Ltd. acts as the fund's administrator in Guernsey.

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www.energyventures.no